

#### **DEPARTMENT OF COMMERCE**

#### **International Trade Administration**

[C-570-971]

Multilayered Wood Flooring from the People's Republic of China: Final Results of Expedited Second Sunset Review of the Countervailing Duty Order

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** As a result of this expedited second sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on multilayered wood flooring (MLWF) from the People's Republic of China (China) would likely lead to continuation or recurrence of a countervailable subsidy at the levels indicated in the "Final Results of Review" section of this notice.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **FOR FURTHER INFORMATION CONTACT:** Dennis McClure or Jonathan Schueler, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Ave., NW, Washington, DC, 20230; telephone: (202) 482-5973 or (202) 482-9175, respectively.

#### **SUPPLEMENTARY INFORMATION:**

#### **Background**

On December 8, 2011, Commerce published the CVD order on MLWF from China.<sup>1</sup> On November 1, 2022, Commerce initiated the second sunset review of the *Order* pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.218(c).<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> See Multilayered Wood Flooring from the People's Republic of China: Countervailing Duty Order, 76 FR 76693 (December 8, 2011); see also Multilayered Wood Flooring from the People's Republic of China: Amended Antidumping and Countervailing Duty Orders, 77 FR 5484 (February 3, 2012), wherein the scope of the Order was modified (collectively, Order).

<sup>&</sup>lt;sup>2</sup> See Initiation of Five-Year ("Sunset") Reviews, 87 FR 73757 (December 1, 2022).

Commerce received a notice of intent to participate in the review on behalf of the American Manufacturers of Multilayered Wood Flooring (AMMWF), a domestic interested party, within the deadline specified in 19 CFR 351.218(d)(1)(i).<sup>3</sup> AMMWF's members include AHF Product, LLC, Cahaba Veneer, Mohawk Industries, Inc., and Mullican Flooring, L.P. AMMWF claimed interested party status under section 771(9)(F) of the Act, as an association comprised of domestic producers of the domestic like product.

Commerce received an adequate substantive response from AMMWF within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>4</sup> Commerce did not receive a substantive response from the Government of China or any other respondent interested party to the proceeding, and no hearing was requested.

On January 25, 2023, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.<sup>5</sup> As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of this *Order*.

## Scope of the Order

The products covered by this order are certain multilayered wood flooring which are composed of an assembly of two or more layers or plies of wood veneer(s)<sup>6</sup> in combination with a core. For a full description of the scope, *see* the Issues and Decision Memorandum.<sup>7</sup>

<sup>&</sup>lt;sup>3</sup> See AMMWF's Letter, "Notice of Intent to Participate in Sunset Review," dated December 13, 2022.

<sup>&</sup>lt;sup>4</sup> See AMMWF's Letter, "Substantive Response to Notice of Initiation of Sunset Review" dated January 3, 2023.

<sup>&</sup>lt;sup>5</sup> See Commerce's Letter, "Sunset Reviews Initiated on December 1, 2022," dated January 25, 2022.

<sup>&</sup>lt;sup>6</sup> A "veneer" is a thin slice of wood, rotary cut, sliced or sawed from a log, bolt or flitch. Veneer is referred to as a ply when assembled.

<sup>&</sup>lt;sup>7</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order on Multilayered Wood Flooring from the People's Republic of China," (Issues and Decision Memorandum) dated concurrently with, and hereby adopted by, this notice.

### **Analysis of Comments Received**

All issues raised in this sunset review are addressed in the Issues and Decision

Memorandum. A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="https://access.trade.gov">https://access.trade.gov</a>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at

https://access.trade.gov/public/FRNotices/ListLayout.aspx.

## Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b)(1) of the Act, we determine that revocation of the CVD order on MLWF from China would be likely to lead to continuation or recurrence of countervailable subsidies at the rates listed below:

Producer/Exporter	Net Countervailable Subsidy Rate (Percent)
Fine Furniture (Shanghai) Ltd.; Great Wood (Tonghua) Ltd.; Fine	1.90
Furniture Plantation (Shishou) Ltd.	
All-Others	18.87
124 Non-Cooperating Companies <sup>8</sup>	43.96

## Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby

2011).

<sup>&</sup>lt;sup>8</sup> Commerce assigned a rate based on facts available with an adverse inference (AFA) to 124 non-cooperating companies in the investigation. For the full list of these companies, *see Multilayered Wood Flooring from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 76 FR 64313 (October 18, 2011).

requested. Failure to comply with the regulations and the terms of an APO is a violation which is subject to sanction.

# Notification to Interested Parties

Commerce is issuing and publishing these final results and notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

**Dated:** March 27, 2023.

# Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

## **Appendix**

# List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. History of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
  - a. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
  - b. Net Countervailable Subsidy Rates Likely to Prevail
  - c. Nature of the Subsidies
- VII. Final Results of Sunset Review
- VIII. Recommendation

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